

## **DEPARTMENTAL POLICY IMPLEMENTING AMENDMENT 90**

**The following Departmental policy supplements the Federal Travel Regulation (FTR) where additional policy or guidance is required:**

### **PART 301-51 - PAYING TRAVEL EXPENSES**

#### **301-51.1 What is the required method of payment for official travel expenses?**

For all official travel performed after February 29, 2000, you are required to use the Government contractor-issued travel charge card for all official travel expenses unless you have an exemption. In the Department of Commerce, we currently use the Citibank Visa Card. You may, but are not required to use your individually-billed travel charge card to purchase your common carrier transportation. Use of a centrally-billed travel account qualifies as a required method of payment for the purchase of common carrier transportation.

#### **301-51.2 What official travel expenses and/or classes of employees are exempt from the mandatory use of the Government contractor-issued travel charge card?**

In addition to the expenses and classes of employees exempted in the FTR from the mandatory use of the travel charge card, the Department exempts the following:

- (a) Infrequent travelers - those employees that only travel once a year. If you are expected to travel two or more times a year, you are required to obtain the travel charge card;
- (b) Employees whose travel charge card has been canceled because of delinquency or use for non-official purposes. If your card has been canceled because of delinquency or use for non-official purposes, you are expected to fund your trip with personal funds. Your common carrier transportation will be charged to the centrally-billed travel account or to a Government Transportation Request (GTR) through the Travel Management Center. However, you **will not** be authorized to receive a travel advance; and
- (c) Intermittent, seasonal, or temporary employees who have limited appointments.

- (d) Employees whose cards have been lost, stolen or damaged and they have not yet received replacement cards;
- (e) Individuals identified as Foreign Service Nationals (FSNs);
- (f) Commercial Service Officers assigned to locations outside of the Continental United States;
- (g) Use of the travel charge card in countries where credit card fraud is widespread; e.g., former Soviet Union and Eastern Europe; and
- (h) Employees who have a disability that would either limit or prevent them from using the card.

**301-51.3 Who in my agency has the authority to grant exemptions from the mandatory use of the Government contractor-issued travel charge card?**

The head of your bureau or operating unit will send any requests for exemptions to the Chief Financial Officer and Assistant Secretary for Administration.

**301-51.5 How may I pay for official travel expenses if I receive an exemption from use of the Government contractor-issued travel charge card?**

If you receive an exemption from the use of the Government contractor-issued travel charge card, you may use one or a combination of the following methods of payment:

- (a) Personal funds, including cash or personal charge card (except for the purchase of common carrier transportation);
- (b) Travel advances, except if your card has been canceled because of delinquency or use for non-official purposes;
- (c) Centrally-billed travel accounts to pay for common carrier transportation; or
- (d) Government Transportation Request (GTR).

**301-51.7      What are the consequences of using the Government contractor-issued travel charge card for non-official travel purposes?**

Your supervisor will contact your bureau's/operating unit's servicing personnel office for a determination of the appropriate disciplinary action if you use your card for non-official purposes or are delinquent in making payments to the travel charge card contractor. Such penalties will differ depending on the circumstances, but can include written reprimand or suspension to removal from your job.

**PART 301-52 - CLAIMING REIMBURSEMENT****301-52.17      Within how many calendar days after I submit a proper travel claim must my agency reimburse my allowable expenses?**

Your bureau finance/payment office must reimburse you within 30 calendar days after you submit a proper travel voucher to your approving official. It is your responsibility to ensure that the voucher is proper. A proper travel voucher is one that contains your signature and the date that you sign the voucher, a copy of your travel order, receipts for lodging, common carrier transportation, rental car, and for any other expense exceeding \$75, and requests post approval for expenses that were not originally authorized on the travel order. Your bureau will implement procedures to track submission of travel claims.

**301-52.18      Within how many calendar days after I submit a travel claim must my agency notify me of any error that would prevent payment within 30 calendar days after submission?**

Your approving official or finance/payment office must notify you within seven days after you have submitted your travel claim of any error that would prevent payment within 30 calendar days after submission, and you must be provided with the reason(s) why your claim is not proper. The 30-day period stops when the voucher is returned to you and begins again when you have resubmitted the corrected voucher to your approving official.

**301-52.19      Will I receive a late payment fee if my agency fails to reimburse me within 30 calendar days after I submit a proper travel voucher?**

Yes, you will receive the late fee in addition to the amount due to you. The late fee may be paid separately from your reimbursement.

**301-52.22      Will any late payment fees I receive be reported as wages on a Form W-2?**

No, you will not receive a Form W-2. However, in accordance with IRS guidelines, your finance/payment office will issue you a Form-1099, Miscellaneous Income-Interest, by January 31 of the year following the calendar year in which payments were made.

**301-52.23      Is the additional fee, which is equal to any late payment charge that the card contractor would have been able to charge had I not paid the bill, considered income?**

Yes, this fee is considered income and would be reported on a Form W-2. However, Departmental employees are not charged late fees by the travel charge card contractor (currently Citibank) until the account becomes 120 calendar days delinquent and has been canceled. If your account falls into this category, you are responsible for the payment of late fees. The Department is not liable for the payment of any late fees in these situations unless there are extenuating circumstances that prevented the reimbursement of your claim within 30 days after you submitted a proper travel claim to your approving official. You are required to submit your travel claim within 5 working days after you complete your trip, or every 30 days if you are in a continuous travel status.

**PART 301-54 - COLLECTION OF UNDISPUTED DELINQUENT AMOUNTS OWED TO THE CONTRACTOR ISSUING THE INDIVIDUALLY BILLED TRAVEL CHARGE CARD**

**301-54.1      Is my agency allowed to collect undisputed delinquent amounts that I owe to a Government travel charge card contractor?**

Yes, upon written request from the travel charge card contractor (currently Citibank), the Department will collect from your disposable pay any undisputed delinquent amounts that you owe to the travel charge card contractor. The Department must follow the due process requirements contained in paragraph 301-54.100 of the FTR before any deductions can be made.

**PART 301-70 - INTERNAL POLICY AND PROCEDURE REQUIREMENTS****301-70.700 Must our employees use a Government contractor-issued travel charge card for official travel expenses?**

Yes, all Department employees who perform official travel after February 29, 2000, must use the Government contractor-issued travel charge card (currently Citibank Visa) for all official travel expenses, unless the expenses or class of employees have been exempted.

**301-70.701 Who has the authority to grant exemptions to mandatory use of Government contractor-issued travel charge card for official travel?**

Bureau heads or heads of operating units shall forward all requests for exemptions to the Chief Financial Officer and Assistant Secretary for Administration.

**301-70.702 Must we notify the Administrator of General Services when we grant an exemption?**

The Chief Financial Officer and Assistant Secretary for Administration will notify the Administrator of General Services of any exemptions that have been granted in the Department.

**301-70.704 What expenses and/or classes of employees are exempt from the mandatory use of the Government contractor-issued travel charge card?**

In addition to the expenses and classes of employees exempted in the FTR from the mandatory use of the travel charge card, the Department exempts the following:

- (a) Infrequent travelers - those employees that only travel once a year. If the employee is expected to travel two or more times a year, they are required to obtain the travel charge card;
- (b) Employees whose travel charge card has been canceled because of delinquency or use for non-official purposes. If the employee's card has been canceled because of delinquency or non-official use, they are expected to fund their trip with personal funds. Their common carrier transportation will be charged to the centrally-billed travel account or to a Government Transportation Request (GTR) through the Travel Management Center. However, they **will not** be authorized to receive a travel advance; and

- (c) Intermittent, seasonal, or temporary employees who have limited appointments.

Bureau heads and heads of operating units should send any requests for additional exemptions to the Director, Office of Executive Budgeting and Assistance Management, for consideration **no later than March 31, 2000.**

**301-70.705 What methods of payment for official travel expenses may we authorize when an exemption from use of the Government contractor-issued travel charge card is granted?**

You may authorize employees who have been granted an exemption from the use of the travel charge card one or a combination of the following methods of payment:

- (a) Personal funds, including cash or a personal charge card (except for the purchase of common carrier transportation);
- (b) Travel advances, except those employees whose travel charge card has been canceled because of delinquency or use for non-official purposes;
- (c) Centrally-billed travel accounts to pay for common carrier transportation; or
- (d) Government Transportation Request (GTR).

**301-70.707 What are the consequences of using the Government contractor-issued travel charge card for non-official travel purposes?**

Department Administrative Order 202-751, Appendix B, contains useful guidance on selecting a penalty appropriate to the offense. Offenses that may apply include “Use of or allowing the use of Government funds, property, personnel, or other resources for unauthorized purposes,” and “Failure to pay a just financial obligation in a proper and timely manner.” The penalties that apply to these offenses are:

- First Offense: Written reprimand to removal.
- Second Offense: 5 days suspension to removal.
- Subsequent Offense: 30 days suspension to removal.

You should contact your bureau’s servicing personnel office for a determination of the appropriate disciplinary action to be taken when an employee uses the travel charge card for non-official purposes or is delinquent in making payments to the travel charge card contractor.



**By March 31, 2000,** please provide the Director, Office of Executive Budgeting and Assistance Management, information on the appropriate disciplinary action your bureau will take with employees who use their card for non-official purposes or are delinquent in making payments to the travel charge card contractor.

**PART 301-71 - AGENCY TRAVEL ACCOUNTABILITY REQUIREMENTS****301-71.204     Within how many calendar days after the submission of a proper travel claim must we reimburse the employee's allowable expenses?**

It is the employee's responsibility to submit a proper travel voucher. The approving official should review and send the voucher to the finance/payment office as quickly as possible. Your finance/payment office **must** reimburse the employee within 30 calendar days after the employee submits a proper travel claim to the approving official. Your bureau **must** implement a satisfactory recordkeeping system to track submission of travel claims. For example, the voucher could be stamped with the date the approving official receives it from the employee for approval, or a document log can be maintained to record the date the voucher is received by the approving official.

In the interim, until final procedures can be implemented in your bureau, for all travel performed after February 29, 2000, you should default to the date the employee signs the voucher as the date the approving official receives it and begin to calculate the 30 calendar-day period from that date. Final recordkeeping procedures to track the date the approving official receives the claim must be in place for travel performed after April 30, 2000, or upon the issuance of bureau implementing procedures, whichever occurs first.

**301-71.208     Within how many calendar days after submission of the travel claim must we notify the employee of any errors in the claim?**

The employee must be notified within seven calendar days after the travel voucher is submitted to the approving official if there are any errors in the claim that would prevent the payment being made within 30 calendar days. When the voucher is returned to the employee for corrections, the 30-day period stops. The employee must make the corrections and resubmit the claim to the approving official. The 30-day period starts over again with the resubmission. However, if the voucher is not returned to the employee within seven days for corrections, the additional time beyond seven days is a penalty to the finance/payment office. For example, if the voucher is not returned to the employee until ten days after submission, upon resubmission the bureau only has 27 days to pay the claim.

**301-71.209     Must we pay a late payment fee if we fail to reimburse the employee within 30 calendar days after receipt of a proper voucher?**

Yes, a late payment fee, in addition to the amount due the employee, must be paid. The fee may be paid separately from the reimbursement, and a separate object class code should be used to record the fee.

**301-71.212     Should we report late payment fees as wages on a Form W-2?**

No, IRS has determined that the late payment fee is in the nature of interest and not income. However, in accordance with IRS guidelines, you must issue the employee a Form-1099, Miscellaneous Income-Interest, by January 31 of the year following the calendar year in which the payments were made.

**301-71.213     Is the additional fee, which is the equivalent to any late payment charge that the card contractor would have been able to charge had the employee not paid he bill, considered income?**

Yes, this fee is considered income and would be reported on a Form W-2. However, Department employees are not charged late fees by the travel charge card contractor (Citibank) until the account becomes 120 calendar days delinquent and has been canceled. The Department is not liable for the payment of any late fees in these situations unless there are extenuating circumstances that prevented the reimbursement of the employee's claim within 30 days after a proper travel claim was submitted to the approving official. The employee must have followed the timeframe requirements for the submission of travel vouchers; i.e., within 5 working days after the completion of the trip, or every 30 days if they are in a continuous travel status.

**PART 301-76 - COLLECTION OF UNDISPUTED DELINQUENT AMOUNTS OWED TO THE CONTRACTOR ISSUING THE INDIVIDUALLY BILLED TRAVEL CHARGE CARD**

**301-76.1      May we collect undisputed delinquent amounts that an employee (including members of the uniformed services) owes to a Government travel charge card contractor?**

Yes, upon written request from the travel charge card contractor, you can collect undisputed amounts owed to them from the delinquent employee's disposable pay. Your bureau or operating unit personnel office must establish policies and procedures for the garnishment of wages for requests received from the travel charge card contractor after April 30, 2000, or upon the issuance of bureau implementing procedures, whichever occurs first. The personnel office will notify the National Finance Center (NFC) to make appropriate deductions. The NFC will promptly forward all amounts deducted to the travel charge card contractor.

**301-76.100    Are there any due process requirements with which we must comply before collecting undisputed delinquent amounts on behalf of the charge card contractor?**

Yes, your bureau must follow the due process requirements outlined in paragraph 301-76.100 of the FTR.

**301-76.101    Who is responsible for ensuring that all due process and legal requirements have been met?**

Your bureau or operating unit is responsible for ensuring that all due process and legal requirements have been met before any undisputed delinquent amount has been deducted from an employee's salary.